

WEDDINGTON RIDGE HOMEOWNERS ASSOCIATION, INC.
**Policy Resolution #1: Policy Resolution Relating to Violations, Enforcement Procedures
and Fines**

Effective: January 1, 2019 (revised April 1, 2023)

WHEREAS, Weddington Ridge Homeowners Association, Inc. (“Association”) is empowered to exercise all of the powers, duties and authority vested in or delegated to this Association by provisions of the Bylaws of Weddington Ridge Homeowners Association, Inc. (“Bylaws”), Articles of Incorporation, and the Declaration of Covenants, Conditions and Restrictions for Weddington Ridge Subdivision (“Declaration”), and other state and federal laws.

WHEREAS, Article VII, Section 8 of the By-Laws grants to the Board the power to exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Membership by other provisions of the By-Laws, the Articles of Incorporation, or the Declaration.

WHEREAS, Article 12, Section 12.1 of the Declaration states that the Association shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions or covenants of the Declaration.

WHEREAS, Article 47F-3-102 Section 12 of the North Carolina Planned Community Act states that the Association may impose reasonable fines or suspend privileges or services provided by the Association for reasonable periods for violations of the Declaration, Bylaws, and rules and regulations of the Association, including without limitation the Architectural Guidelines (“Rules and Regulations”).

WHEREAS, for the benefit and protection of the Association and the Lot owners (“Owners’), the Board of Directors deems it necessary and desirable to establish a formal procedure for the handling of complaints and the enforcement of the Declaration, Bylaws, and Rules and Regulations of the Association, and the action of imposing fines against Lots that are in violation of each (collectively the “process of enforcement”).

NOW THEREFORE, BE IT RESOLVED THAT the following policy is adopted by the Board of Directors regarding the Association’s process of enforcement of the Declaration, Bylaws, and the Rules and Regulations.

OVERVIEW OF PROCESS

1. The North Carolina statute governing this procedure is N.C.G.S. 47F-3-107.1 which is incorporated herein by reference. It is the intent of the Association to comply with N.C.G.S. 47F-3-107.1. This Policy shall be applicable to the enforcement of the Declaration, Bylaws and Rules and Regulations, except for nonpayment of assessments and other amounts due and owing to the Association (“Assessment Obligations”). Assessment Obligations will be enforced in accordance with the procedures set forth in the Declaration and Bylaws and the North Carolina Planned Community Act, except that, upon compliance with the notice and hearing provisions specified herein, the Association shall have the right to suspend the offending Owner’s privileges or services provided by the Association during any period that assessments or other amounts due and owing to the Association remain unpaid for a period of 30 days or longer.
2. This Policy will be in effect from the date listed above until it is rescinded, modified or amended by a majority of the Board of Directors.

ORIGINATION AND INITIATION OF COMPLAINTS

Association

If it appears to the Association’s Management Company, Board of Directors, Adjudicatory Panel, Architectural Review Committee, or a rules committee of the Association that the Declaration, Bylaws or Rules and Regulations may have been violated, the Association through the Board of Directors will enforce the Declaration, Bylaws or Rules and Regulations as set forth below

Owner

An Owner (“Complaining Owner”) who desires that the Board take corrective action against another Owner or tenant (“Alleged Offending Owner”) must submit a complaint to the Board through its Management Company. The complaint must be in writing and must include the following:

- a. The name, if known, and address of the Alleged Offending Owner;
- b. A description of the offending behavior or activity, including the date(s) and approximate time(s);
- c. Whether or not the Complaining Owner attempted to contact with the Alleged Offending Owner regarding the alleged violation;
- d. Any evidence of the violation such as photos, witness statements, or other documents; and
- e. A statement certifying that the complaint is true and correct to the best of the Complaining Owner’s knowledge.

Manager

The Management Company conducts periodic compliance checks for alleged violations at the direction of the Board.

INVESTIGATION OF COMPLAINT

- 3. Investigation. Upon receipt of a written complaint from a Complaining Owner, the Board, Manager or other person authorized by the Board, has the discretion to conduct an investigation to confirm the nature and existence of the allegations contained in the complaint. If after review of a complaint, the Management Company or other designated agent conducting the investigation determines that it is likely a violation has occurred, and the Board determines that it is in the best interests of the Association to address the alleged violation with the Alleged Offending Owner, notice shall be given to the Alleged Offending Owner as described below.

NOTICE PROCEDURE

- 4. Any Owner of a Lot that appears to have likely violated the Declaration, Bylaws, or the Rules and Regulations of the Association shall be issued a written notification of the alleged violation from the Association through its Management Company, Board of Directors, Adjudicatory Panel, Architectural Review Committee, or a rules committee of the Association.
- 5. For violations that do not appear to constitute a nuisance or a health, safety, fire or risk issue, the Owner will be mailed via first-class mail, and if an email address is on file, by email, a First/Courtesy Notice indicating the nature of the violation, how to remedy the issue, and a specified number of calendar days to correct the violation.
- 6. In the event a violation appears to constitute a nuisance or a health, safety, fire or risk issue, or if a violation previously cited in a First/Courtesy Notice has not been corrected, the Owner will be mailed via first-class mail, and if an email address is on file, by email, a Second/Final Notice of Violation, indicating the nature of the violation, how to remedy the issue, and a specified number of calendar days to correct the violation. When a violation constitutes a nuisance or health, safety, fire or risk issue, a Second/Final Notice will be the only notice issued with guidance to remedy the violation within twenty-four (24) hours or to cease activity immediately. Nothing herein precludes the President, a designated member of the Board, or a designated member of an Adjudicatory Panel, Architectural Review Committee, or a rules committee of the Association, the Management Company or other authorized person or agent from first attempting to resolve the matter by informal meeting, telephone call to the Alleged Offending Owner.

HEARING PROCEDURE

- 7. If a violation cited in a Second/Final Notice has not been corrected, the Board of Directors, its Attorney or Management Company, Adjudicatory Panel, Architectural Review Committee or rules committee shall issue the Owner a Hearing Notice to appear before the Board of Directors, or an Adjudicatory Panel appointed by the Board of Directors ("Hearing Panel") to determine whether the offending Owner is in violation and if fines

should be levied or if community privileges or services should be suspended. Any Hearing Panel appointed by the Board shall be composed of member of the Association who are not officers of the Association or members of the executive board.

8. The Hearing Notice mailed to the Owner will be postmarked at least 10 calendar days prior to the hearing date and mailed via first-class mail to the Lot Owner's address of record with the Association. A Hearing Notice shall be deemed effective when mailed via first class mail. The hearing notice will specify the violation as well as the date, time and location of the hearing. Owners may bring an attorney or third-party representative to the hearing; however the Owner must notify the President of the Board of Directors or the Chairman of the Hearing Panel of that fact at least ten business days prior to the scheduled hearing date. The Board of Directors or the Hearing Panel may grant a continuance to a different time or date, in which event no further notice will be required. The hearing may be conducted virtually or telephonically. The Board of Directors may also allow witnesses to appear in-person, virtually or telephonically.
9. In lieu of attending the hearing, the Owner may submit written information to the President of the Board of Directors or to the Chairman of the Hearing Panel, or to the Management Company, which must be received in-hand no later than two business days prior to the hearing date, to be considered at the scheduled hearing. If the Owner fails to appear within 15 minutes of the scheduled time of the hearing and provides no written information by this deadline, the Board of Directors or the Hearing Panel may at its sole discretion, (1) conduct the hearing without the presence of the Alleged Offending Owner, (2) allow the Alleged Offending Owner additional time that day to appear, or (3) reset the hearing to another date and time.
10. At the hearing, the Owner will be given a reasonable amount of time to be heard and present any and all evidence and defenses to the alleged violation, not to exceed 10 minutes. The Board of Directors or the Hearing Panel will be given a reasonable amount of time, not to exceed 10 minutes, to ask questions of the Owner. A member of the Board of Directors or Hearing Panel will monitor and enforce these time limits.
11. After hearing all evidence and testimony, the Board of Directors or Hearing Panel members will reconvene and decide by a majority vote of its members in attendance as to whether the Owner of the Lot is in violation and, if in violation, levy the appropriate fines, suspend community privileges or services, or act to remedy the violation at the Owners expense.
12. The Board of Directors, the Association's Attorney or Management Company shall send a written notice of the decision to the Owner communicating the results of the hearing (Result of Hearing Notice) via first-class mail to each address a Notice of Hearing was mailed to the Alleged Offending Owner. All owners will be given at least five days from the date the Result of Hearing Notices is postmarked to remedy their violation.
13. Each violation that escalates to a hearing is subject to the imposition of a \$50 initial fine and if it is decided that additional fines should be imposed, a fine not to exceed one hundred dollars (\$100.00) per day for each day the violation occurs without further hearing (beginning no earlier than five days from the date the Result of Hearing Notices is postmarked). Such fines shall be assessments secured by liens under N.C.G.S. 47F-3-116. In deciding the appropriate level of fines to be levied, the Board of Directors or Hearing Panel will refer to the Violation Fine Schedule set forth in Exhibit A to this Policy Resolution for guidance. The Board of Directors or Hearing Panel shall not be bound by the Violation Fine Schedule set forth on Exhibit A and may impose fines based on the circumstances of each case. The Association, in its discretion, will consider waiving fines if (1) the violation is corrected and the President of the Board of Directors or Hearing Panel Chairman receives written notification from the Owner of that fact within the designated time frame and (2) correction of the violation is subsequently verified by the Association's Management Company, Architectural Review Committee, or rules committee of the Association. However, even if the violation is corrected within the specified time frame, the Board of Directors or Hearing Panel may still impose the initial fine for the violation.
14. Fines will accrue until (1) the violation is corrected, (2) the Owner notifies the Management Company, the President of the Board of Directors, or the chairman of the Hearing Panel, in writing, of the correction and (3) the Association's Management Company, Architectural Review Committee, or a rules committee of the Association verifies the violation has been remedied. Once verified, fines will be terminated effective with the

date the Owner's letter was received notifying the Management Company, the President of the Board of Directors, or the chairman of the Hearing Panel that the violation has been remedied.

- 15. If it is decided that a suspension of community privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured.

APPEAL

- 16. For a decision made by a Hearing Panel, the Lot Owner may appeal the decision of the Hearing Panel to the full Board of Directors by delivering written notice of appeal to the Board of Directors or Management Company within 15 days after the date of the Result of Hearing Notice. The delivery of written notice of appeal to the Board of Directors or Management Company shall be by first class mail and certified mail Return Receipt Requested to the principal office address and address of the registered agent for service of process of the Association and the Management Company. The Board of Directors may affirm, vacate, or modify the prior decision of the Hearing Panel.

MISCELLANEOUS

If the Board of Directors or Hearing Panel concludes that a violation will be remedied by the Association at the Owner's expense, the Result of Hearing Notice will serve as written notice as detailed in Article 4, Section 4.2 of the Declaration. If the Owner has not corrected the violation within 5 days after mailing, the Association may enter and correct the violation or non-compliance at the Owner's expense as provided in Article 4, Section 4.2 of the Declaration. No such entry shall be deemed a trespass.

- 17. Under North Carolina law, violation fines and/or other incurred expenses become an assessment. Failure by the Owner to pay fines and/or expenses will be handled according to sections N.C.G.S. 47F-3-107.1 and 47F-3-116 of the North Carolina Planned Community Act which governs unpaid assessments and liabilities. A lien may be filed securing payment of past due fines and the lien may be ultimately foreclosed.
- 18. The Board of Directors, at its discretion, has the right to modify the process set forth in this Policy in response to circumstances affecting the Owner or the Board of Directors or Hearing Panel.
- 19. The Board of Directors, in its sole discretion, or upon recommendations from the Hearing Panel, may suspend daily fines for equitable and mitigating circumstances during any period during which an Owner is unable to cure a violation due to circumstances out of the Owner's control.

APPROVED: _____ Date _____
President

_____ Date _____
Secretary

SIGNATURES ON FILE

WEDDINGTON RIDGE HOMEOWNERS ASSOCIATION, INC.

EXHIBIT A

SCHEDULE OF FINES

VIOLATION	RECOMMENDED MAX FINE AMOUNT	FINE FREQUENCY
Architectural Violations (i.e. unapproved ARC Change or failure to submit for ARC Change)	\$100	Per Day
Nuisance Violations	\$100	Per Day
Exterior Maintenance Violations (i.e. shutters, painting, mailboxes, unkempt appearance, siding mildew, etc.)	\$50	Per Day
Lawn Maintenance Violations (i.e. unkempt lawn, failure to mow the lawn, weeds)	\$50	Per Day
Prohibited vehicle (i.e. inoperable vehicle, trailer, RV, etc.)	\$50	Per Day
All other violations	\$50	Per Day